



NEWS RELEASE

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SBA ONE STOP CAPITAL SHOP IN WATTS WILL HELP RESIDENTS REJUVENATE COMMUNITY

LOS ANGELES - The U.S. Small Business Administration (SBA) and the City of Los Angeles today opened a One Stop Capital Shop on Compton Avenue in Watts to help provide a full range of small business services to budding entrepreneurs. The facility in Watts can serve as a model for directing small business development assistance into persistently distressed communities throughout the nation.

SBA Administrator Aida Alvarez joined Los Angeles Mayor Richard Riordan and Congresswoman Juanita Millender-McDonald to cut the ceremonial ribbon officially opening the One Stop Capital Shop located in the heart of Watts on Compton Avenue.

"Too often, communities like Watts are neglected when there's talk of nurturing economic independence and self-sufficiency," said Administrator Alvarez. "But that's about to change with the opening today of this One Stop Capital Shop.

"The goal of our One Stop Capital Shops is to provide support for new and existing businesses and help bring economic prosperity to economically distressed communities," said Administrator Alvarez. "If people believe they can have some control over their destiny, if they have a small business and want it to grow, or if they have a good idea about owning their own firm, the One Stop Capital Shop can help them.

"We can help the people of Watts rebuild their community, one small business at a time."

Working in tandem with state and local economic development authorities, the center will provide a direct gateway to the SBA's district office in Los Angeles and to SBA small business financing and technical assistance programs. It also will offer on-site access to other SBA resources, including a Business Information Center.

Despite periodic attempts to rejuvenate the Watts community in South Central Los Angeles, the area has never fully recovered from a history of economic disadvantage and a pair of violent riots. The 1965 Watts riot caused an estimated \$45 million in property damage, while the 1992 civil disturbances caused an estimated \$1 billion in damage. Many businesses that were destroyed by fire, vandalism and looting were never replaced.

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The One Stop Capital Shop program began in 1994 as an element of the Clinton/Gore Administration's Empowerment Zone Initiative, a central component in the president's efforts to revitalize economically distressed inner cities and rural communities. There are currently 19 One Stop Capital Shops, all located in Empowerment Zones or Enterprise Communities.

To date, more than \$250 million in small business loans have been made to One Stop Capital Shop clients, and more than 160,000 customers have sought and received assistance.

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For more information on all of SBA's programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA's extensive Web site at www.sba.gov.

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